



MARTY WASHBURN
Chain Accounts Manager

6-7-95

3905 Ayers Road
Ft. Smith, AR 72903
501-646-9680
Fax 501-646-9666

TO: ALL REGIONAL SALES MANAGERS
ALL DIVISION SALES MANAGERS

FROM: MARTY WASHBURN, CAM 2544

SUBJECT: WAL*MART NEW PLAN-O-GRAM IMPLEMENTATION

THE COMPLETE PACKET FOR WAL*MART DISCOUNT STORE POG IMPLEMENTATION IS ENCLOSED. SUPERCENTER AND BUD'S WAREHOUSE POGS WILL FOLLOW AT A LATER DATE. EACH PACKET SHOULD INCLUDE 12 CARTON POGS, DIVISION STORE LIST, AND AUTHORIZATION LETTER FROM WAL*MART BUYER JERRY SANDERS. WAL*MART WILL ADVISE ALL STORES VIA SATELITE ON TUESDAY JUNE 13, 1995 THAT AN RJR SALES REPRESENTATIVE WILL BE CONTACTING THEM SOON TO ASSIST WITH THE RESET. WE CAN START CONTACTING THE STORES WEDNESDAY JUNE 14, 1995 TO SCHEDULE THE RESETS.

RJR PROCEDURES:

1. CONTACT EACH STORE WITHIN YOUR DIVISION BY 6-21-95 TO SCHEDULE FIRM SET DATE. STORES ARE AWARE OF 7-15-95 TARGET COMPLETION DATE.
2. IT IS PREFERRABLE TO RESET A DAY OR TWO BEFORE ORDER DELIVERY, LESS STOCK TO HANDLE. MOST STORES PREFER EARLY AM SET OR AFTER HOURS SET. TRY TO ACCOMMODATE IF POSSIBLE.
3. REFER TO STORE LIST FOR FIXTURE SIZE, POG#, IE POG# 8A, IS AN 8' SET WITH A HIGH RJR SHARE-OF-MARKET. CONFIRM CURRENT AND NEW CARTON FOOTAGE WITH STORE PRIOR TO RESET. YOUR LIST IS THE CORRECT SIZE FIXTURE FOR THE STORE BY VOLUME. ACTUAL STORE FOOTAGE MAY HAVE TO CHANGE, IE BE REDUCED FROM 12' TO 8'. STORES WILL BE ADVISED VIA SATELITE ON 6-13-95.
4. ASK THE STORE TO PULL ALL PRODUCT FROM SHELVES 4-6 THE NIGHT BEFORE THE RESET IF POSSIBLE. THIS WILL SPEED RESET. PHILIP MORRIS WILL HANDLE THEIR PRODUCT ON SHELVES 1,2,3.
5. ADJUST SHELF HEIGHTS AND ALL WIRE DIVIDERS. CARTON HEIGHTS FROM THE TOP SHELF ARE 6,6,4,6,6,4. I WOULD RECOMMEND STARTING FROM THE BOTTOM WHEN ADJUSTING SHELF HEIGHTS.
6. RELOAD CARTON PRODUCT BRAND SPECIFIC FOR BAT AND LORILLARD BRANDS. LEFTOVER PRODUCT FOR BAT AND LORILLARD SHOULD BE RETURNED VIA NORMAL METHOD. USE POG AS A GUIDE HOWEVER YOU CAN ADJUST RJR BRANDS AND ROW CAPACITY BASED ON LOCAL SALES TRENDS WITHIN RJR'S ALLOCATED SPACE. YOU MUST LEAD WITH FULL PRICE BRANDS. IN OTHER WORDS THE CUSTOMER MUST WALK PAST FULL PRICE BRANDS FIRST.

"We work for smokers."

51855 1408

7. ASSIST STORES WITH ANY DISTRIBUTION GAPS ON RJR BRANDS. ANY RJR OVERSTOCK CONDITIONS SHOULD BE ADDRESSED WITH COUPONING OR BUYDOWNS WITHIN STRATEGY.

8. EACH DIVISION/REGION SHOULD TRACK INSTALLATIONS ON STORE LIST AS INDICATED. FAX RESULTS EACH MONDAY TO DIVISION 2544, 1-501-646-9667 UNTIL DIVISION/REGION IS COMPLETE.

9. A DISTRIBUTION OF RJR BRANDS IS GOING TO ALL STORES THE WEEK OF JUNE 19, 1995 TO ASSIST YOU IN GETTING ADEQUATE INVENTORY AND BRAND SELECTION. ALL STORES WILL RECEIVE AN ASSORTMENT OF BRAND STYLES ON EACH POG, 8' STORES RECEIVE 150 CARTONS, 12' STORES RECEIVE 255 CARTONS, 16' STORES RECEIVE 288 CARTONS.

10. IT IS IMPERATIVE THAT ALL STORES BE CONTACTED BY 6-21-95 TO SCHEDULE THE RESET AND TO ADVISE STORES TO HOLD THE PRODUCT DISTRIBUTION UNTIL WE GET THERE TO ADJUST THE PLAN-O-GRAM. DO NOT RETURN ANY RJR PRODUCTS TO MCLANES UNLESS ADVISED BY AN RJR REP DURING THE RESET PERIOD, JUNE 15 THROUGH JULY 15.

CALL MARTY WASHBURN AT 1-800-432-7578 WITH ANY STORE REFUSALS OR PROBLEMS WHILE IN THE STORE. WE WILL ADDRESS IMMEDIATELY WITH BENTONVILLE FOR CORRECTION WHILE YOU ARE IN THE STORE TO AVOID ANY RETURN TRIPS.

YOUR PACKET SHOULD INCLUDE:

<u>POGS:</u>	8A	8B	8C	8D
	12A	12B	12C	12D
	16A	16B	16C	16D

<u>DIVISION STORE LIST:</u>	STORE#	ADDRESS	CITY	ST
	RJR VOL	IND VOL	OLD & NEW FOOTAGE	
	POG#	INSTALLATION WEEK		

AUTHORIZATION LETTER: NOTIFICATION FROM BUYER JERRY SANDERS ON RJR AUTHORIZATION TO RESET ALL WAL*MART STORES' CIGARETTE DEPARTMENTS

51855 1409